



Seattle City Employees' Retirement System Disability Retirement

Because the provisions for disability retirement are necessarily detailed and quite complicated, this document has been prepared to help you more easily understand the requirements for this type of retirement benefit.

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The basis for receiving a disability retirement from the Retirement System is that a member is no longer employable, not only from the position in which the member was employed, but from any City of Seattle position.

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Any Retirement System member while in the City service, or within three (3) months after the discontinuance of City service, if incapacity has been continuous from discontinuance of City service, may apply for a disability retirement. If you're a member, you may qualify for a disability retirement if you meet one of the following conditions:

- If, due to illness or injury, you are permanently and totally disabled, and have at least ten (10) years of service with the City of Seattle. A minimum of ten (10) years of retirement service credit must have been earned during the fifteen (15) years prior to becoming disabled.
- If, due to an on-the-job injury, you are permanently and totally disabled, you may retire under disability regardless of length of service with the City.

Disability Retirement Benefit Amount

Under the terms of this benefit, if disabled you will receive 1.5% of your Average Salary multiplied by the number of years of retirement service credit you have earned. Average Salary means the average of your highest 24 consecutive months' rate of pay.

If this calculation does not exceed one-third of your Average Salary, then you will receive an additional 1.5% of your Average Salary for each year between your age at retirement and age 62, until your disability retirement benefit equals one-third of your Average Salary.

This benefit provides a minimum retirement amount of \$140.00 per month.

If subsequent to receiving a disability retirement benefit you are able to return to work part-time you may continue to receive your disability allowance, provided the total of your disability payment and your earnings do not exceed the salary *currently* payable by the City for your last job classification. If this should occur, your retirement allowance would be reduced by the amount of the excess earnings.

If a disability retiree returns to work full-time, or fails to report earnings from any employment, the Board has the right to discontinue the disability retirement benefit.

Death of Disability Retiree

If a disability retiree dies, his or her spouse or domestic partner, if named as beneficiary by the retiree, is eligible to receive a settlement similar to that shown for the spouse or domestic partner of a member who dies before retirement. (See Information Handbook.)

Application Form

If you wish to apply for a disability retirement you must complete an Application for Disability Retirement. The form is quite simple. On the application you must check the appropriate box to indicate whether your disability is a result of an on-the-job injury or some other medical condition.

- If you check the box indicating you have a disabling on-the-job injury, you must sign your name on the line provided so we can obtain your Workers Compensation records.
- If you check the second box, you must describe the condition(s) that are disabling you.

After completing the rest of the form please send it to the Retirement Office.

Medical Records and Examinations

If your disabling condition is a result of an on-the-job injury:

- If you have checked the box indicating your condition is a result of an on-the-job injury and signed your name on the line provided, we will request the medical records that are on file with the City Personnel – Workers Compensation Unit.
- The decision regarding your disability retirement application will, in many cases, be based upon the medical records and opinions of the doctors used by the City Personnel – Workers Compensation Unit. You will be contacted if we need additional information from you.

*If your disabling condition is **not** a result of an on-the-job injury:*

- If you have checked the second box, you must provide the medical records that will show the history of your condition(s). Submit relevant records which provide a complete history. The more records you provide the easier it will be for our doctors to evaluate your condition. You must also submit a statement from your own doctor, as indicated on the application form.
- An examination will be scheduled with a doctor(s) used by the Retirement Board, once we receive your medical records from you. At the examination(s), make sure you cover everything you consider important to your disability and medical condition(s). This is your only opportunity to communicate with the doctor(s).

- After your examination(s) have been completed, we will receive a report from the doctor's office. A copy will be made available to each applicant, upon request, when the normal disability retirement application process has been completed.
- The decision regarding your disability retirement application will be based upon the medical records, and evaluations made by the doctors used by the Retirement Board.

Disability Committee

The Retirement Board has appointed a Disability Committee to review the doctor's reports and make recommendations to the Board about each application. The Board has the final decision as to whether to grant or deny each application.

Medical Review Process and Timing

If your condition is a result of an on-the-job injury:

- The Disability Committee will not consider your application until the opinion of the doctors hired by the City Personnel – Workers Compensation Unit has been recorded at that office and then presented to the Retirement Office.

If your condition is not a result of an on-the-job injury:

- Once your medical records have been received in the Retirement Office they will be forwarded to the doctor(s) used by the Retirement Board. The doctor's office will contact you directly to schedule an examination by one or more doctors.
- Usually within a week of your examination we will receive the written report from our doctors. If no other examinations or tests are needed, the Disability Committee will review the doctor's report.
- Once the Disability Committee has reviewed the doctor's report, your disability retirement application will come before the Board with a recommendation from the Committee.
- If the Board approves your application, your disability retirement will become effective on that day. The Retirement Office will contact you regarding any additional paperwork necessary to get you set up on the retiree payroll.
- If your application is denied, you will have an opportunity to appeal the initial decision to the Board. (The Retirement Office will provide you details of the appeal process.)
- Due to the numerous steps involved, this process could easily take 2 – 3 months, depending on how long it takes you to provide your medical records, the scheduling of examinations, the reviews of your records and reports, etc. All records and information you wish to submit in support of your application must be submitted within 60 days of the date you file your application with the Retirement Office.

Temporary Total Disability

The distinction for this category of disability is that you are not employable, but rather than being permanent it is determined that your condition is of a temporary nature. This benefit ceases when you are no longer temporarily totally disabled. The application process is the same as for a permanent disability.

Subsequent Review of Disability Retirees

To review whether a retiree remains disabled, the Board may require any disability retiree, under age sixty-two (62) years, to undergo medical examination. If the Board determines that the retiree is no longer disabled, he or she shall be returned to City service at the earliest opportunity and his or her disability retirement allowance will be cancelled.

Medical Insurance

In order to be eligible to purchase medical coverage under the City's group retiree plan, you must submit your disability retirement application while you are still active on the City's payroll system and you must maintain continuous City medical coverage.

Long-Term Disability (LTD) Coverage through Standard Insurance

For those members who have been paying the premiums each month for the optional LTD coverage, you should be aware that any payments made to you by Standard Insurance will be subject to an offset, or reduction, for the amount of disability income that you may receive from the City Retirement System. Depending on your disabling condition your insurance benefits may last for a period of 2 or 3 years, or possibly until you reach age 65. You will want to be sure you contact Standard Insurance to understand the rules as they apply to your special circumstance.

You are not required to apply for the City Retirement System's disability retirement benefits, even though Standard Insurance may send you materials suggesting you do.

LTD was designed to expire when the member reaches age 65 and then, assuming the member has enough retirement service credit (5 years) to receive a vested benefit, the member would then sign up for a service retirement. However, with regard to medical insurance, you will not be eligible to purchase medical coverage under the City's retiree group plan if you vest and then begin drawing your benefits at age 65. The key is that a vested member who leaves City employment is not eligible for City medical insurance, and once this insurance is lost it cannot be obtained later.

Medical insurance is a concern for many disability retirement applicants. Members who do not have other medical coverage that will last for the rest of their life will often apply for the City's Retirement System disability retirement because of the availability of group medical coverage, even though Standard Insurance will reduce the amount of benefits they provide.

Service Retirement vs. Disability Retirement

If you're eligible for a regular service retirement, the amount of that benefit will likely be greater than a disability retirement. However, depending on your age and years of retirement service credit, you may be eligible for a service retirement but find that the disability retirement provides a greater benefit. This can happen especially if you are at an age where you have only recently become eligible for early retirement.

You may also wish to consult a tax advisor to see if there might be a tax advantage to you if you were to be granted a disability retirement, rather than a service retirement.

Disability retirement is in lieu of a service retirement and does not convert to a service retirement at age 65 or any other age.

Seattle Municipal Code (SMC) References

The Seattle City Employees' Retirement System is primarily governed by the ordinances contained in SMC Chapter 4.36. The disability retirement provisions within that Chapter are primarily included in:

SMC 4.36.220 Retirement for disability.

SMC 4.36.230 Disability allowances designated.

SMC 4.36.240 Examination of disability beneficiary – Cancellation of allowance.

SMC 4.36.250 Temporary total disability.